



THE TECHNOLOGY GROUP FOR SECURITY AND MOBILITY

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Michael Wittlinger, CFO Wheeled Vehicles

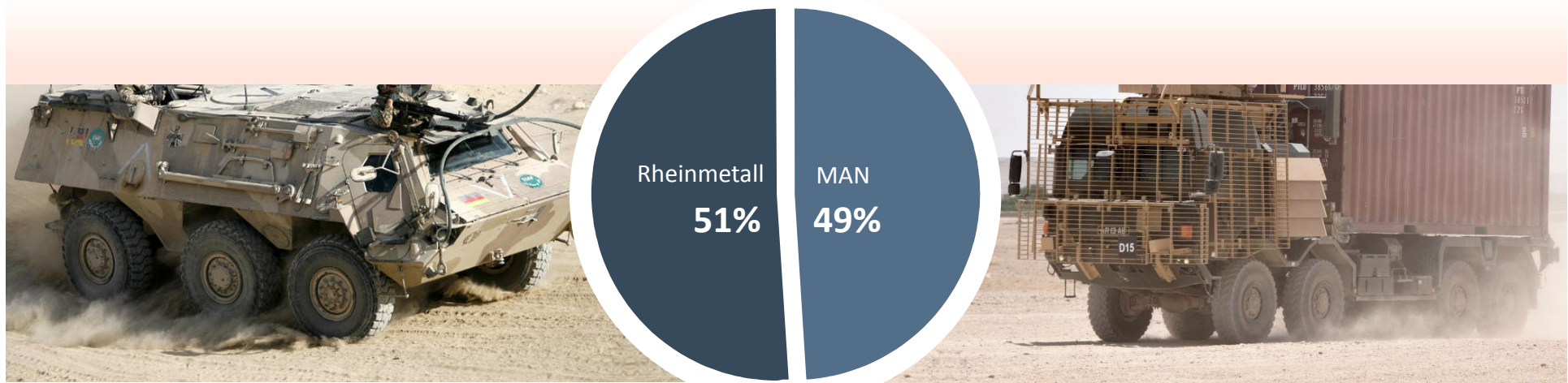


Rheinmetall MAN Military Vehicles (RMMV)

Two renowned brands joining forces

Military know-how
Protection

Automotive know-how
Mobility



- Developer and producer of world-class military wheeled vehicles
- Founded in 2010 as a joint venture of Rheinmetall AG and MAN Truck and Bus AG
- Industrial leadership by Rheinmetall
- 1,500 employees in 7 countries
- 8 locations worldwide
- Sales 2014: EUR 667 million



RMMV worldwide

Locations Europe

- **Germany** (Munich, Kassel, Flensburg)
- **Austria** (Vienna)
- **Netherlands** (Ede)
- **United Kingdom** (Swindon)



Locations worldwide

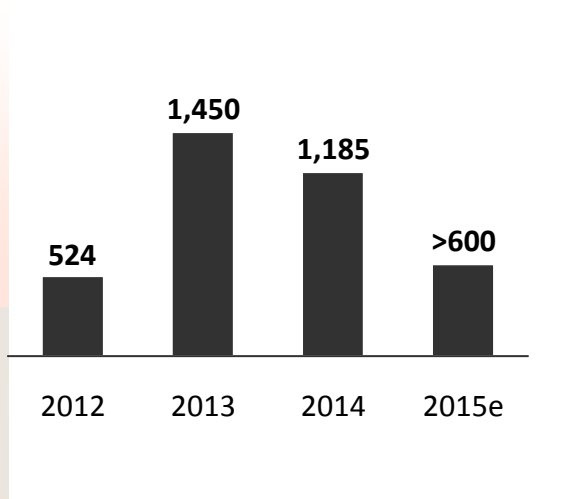
- **Singapore**
- **Australia** (Melbourne)



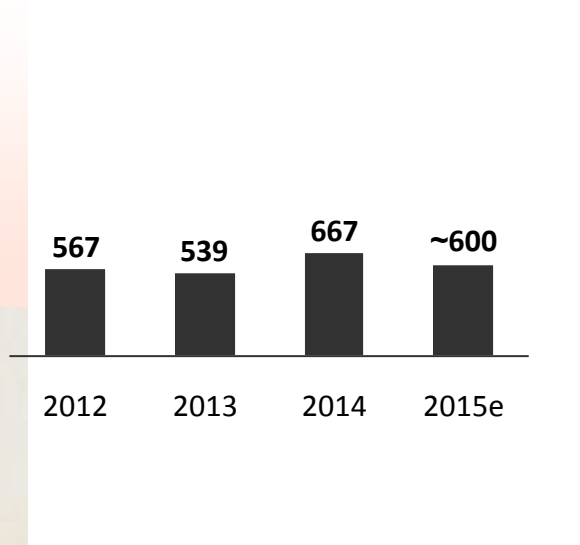


Key figures 2012 - 2015

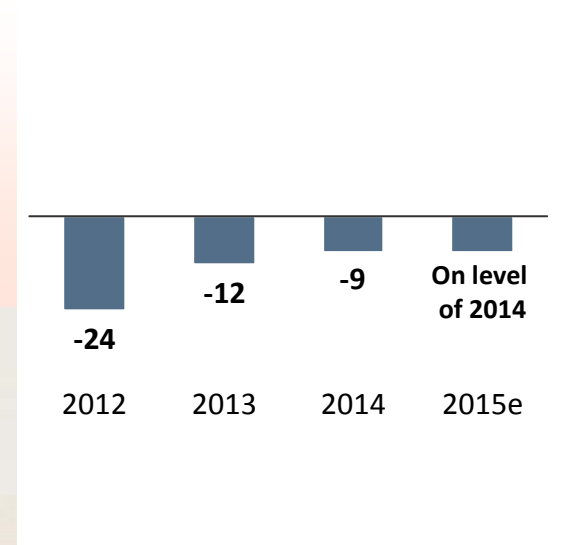
Order intake in EUR million



Sales in EUR million

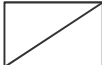



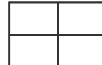
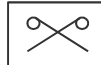

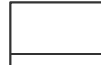

































EBIT in EUR million



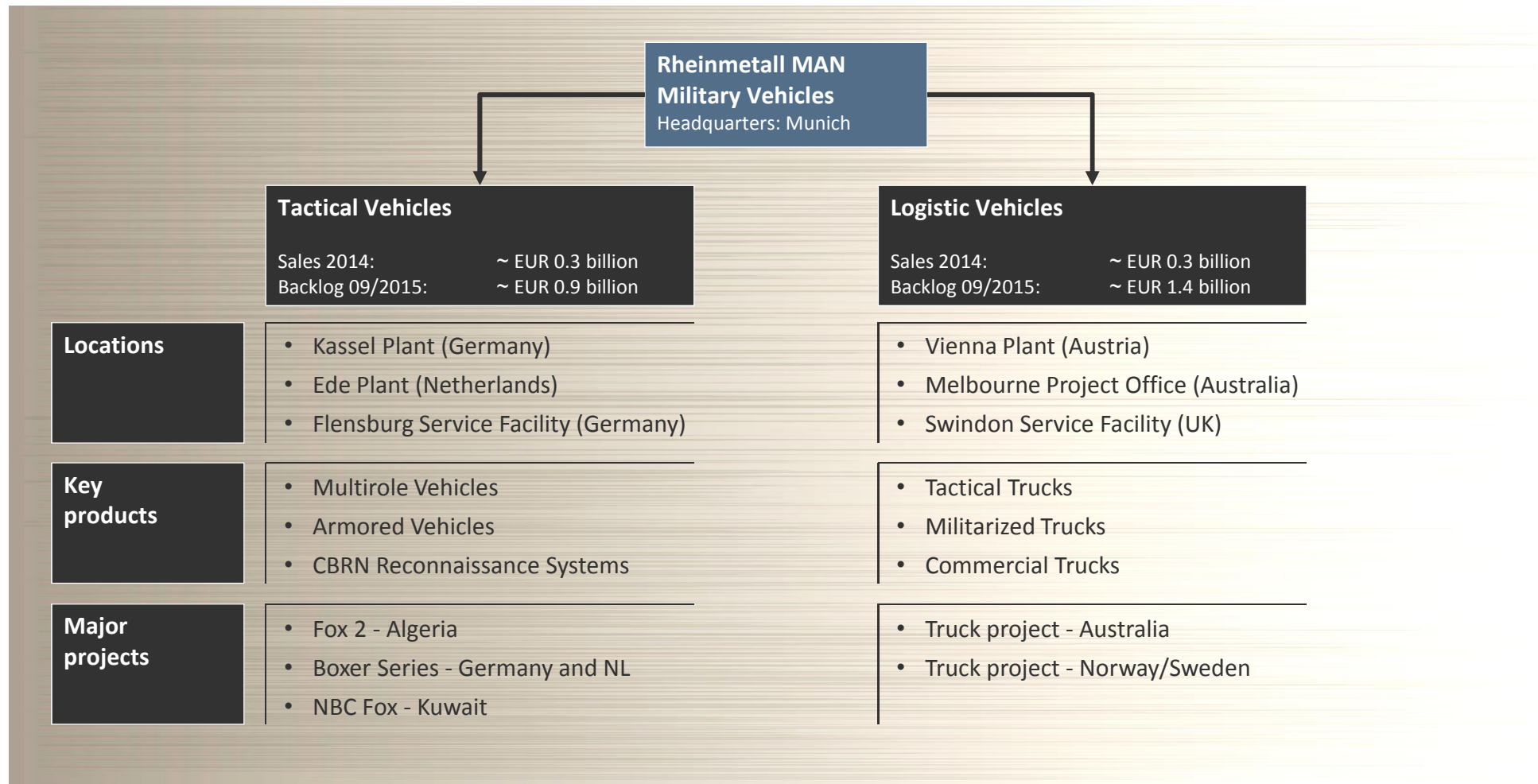


Full spectrum provider

		Tactical						Logistics			
Application		 Recce	 Infantry	 Artillery	 Signals	 Medical	 NBC Recce	 Motor Transp.	 Supply	 Engineer	
Category	Light (10-15t)	 Survivor R Recon	 AMPV  Survivor R APC			 Yak Ambulance  Survivor R Ambulance	 Survivor R NBC Recon	 TGM-mil 4x4  TGS-mil 4x4	 HX 4x4		
	Medium (15-25t)	 Fuchs SRV  KAV Recon	 Fuchs APC  KAV APC	 Fuchs Mortar  TGS 6x6 Chassis	 Fuchs Electronic WF  Fuchs Communication	 Fuchs Ambulance	 Fuchs NBC Recon	 TGS-mil 6x6	 HX 6x6	 SX 6x6	
	Heavy (25-35t)		 Boxer APC	 HX 8x8 Chassis		 Boxer Ambulance		 TGS-mil 8x8	 HX 8x8	 SX 8x8	
	Super Heavy (>35t)		 Boxer IFV							 HX 10x10	



RMMV business units





Product portfolio military trucks

Characteristics

Category



Commercial trucks for civil use

- Standard logistic vehicle for commercial use
- VIE workbench for MAN
- Long-term commitment from MAN to fill the plant

Design authority	MAN
Production	RMMV
Sales responsibility	MAN
Profitability	RMMV
Focus workload	Focus workload



Commercial trucks with military applications (TGM)

- Standard logistic vehicle with military applications
- No protection level
- Sold in spot business and smaller projects (e.g. Peru)

Design authority	MAN
Production	MAN
Sales responsibility	RMMV
Profitability	RMMV
Focus workload	Low - medium



Militarized trucks (TGS-MIL)

- Militarized logistic vehicle
- Protection in development
- Sold in spot business and projects (e.g. Sweden)

Design authority	MAN
Production	RMMV
Sales responsibility	RMMV
Profitability	RMMV
Focus workload	Medium - high



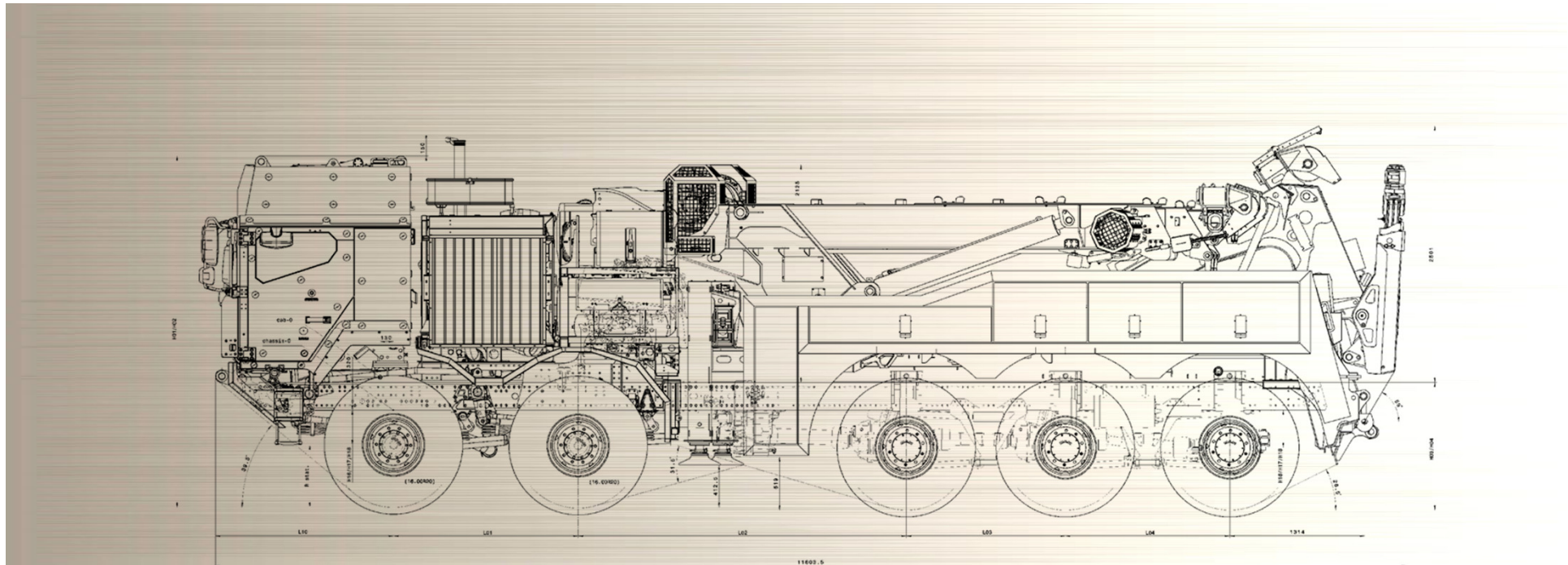
Heavy range trucks (HX/SX)

- Tactical vehicle for use in operations
- Integrated or modular protection available
- Sold in projects/tender

Design authority	RMMV
Production	RMMV
Sales responsibility	RMMV
Profitability	RMMV
Focus workload	Medium - high



Core competencies military trucks

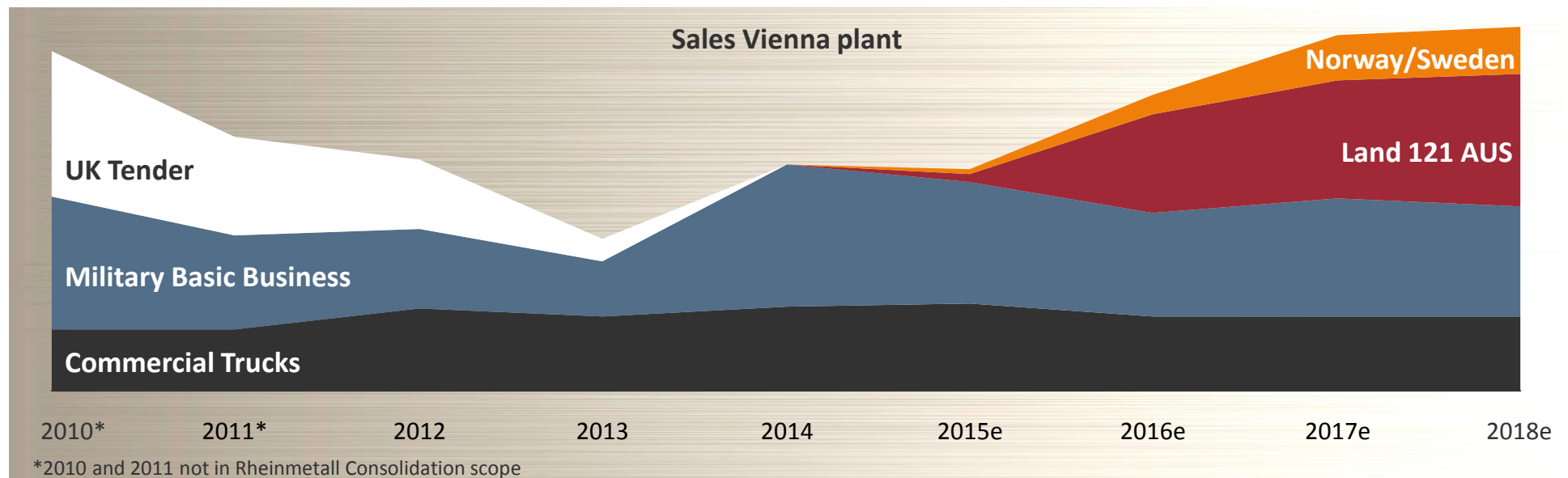


- Around 80 highly qualified engineers
- Definition of systems approach with the customer
- Rheinmetall systems house
- Strategic relations and partnerships with component manufacturers



History and outlook Vienna plant

- The Vienna plant has always been the plant for complex vehicles within the MAN Group
- Military production soared after winning the UK tender in 2005/2006 (vol.: > 7,000 trucks/EUR 1.6 billion)
- When negotiations of MAN and Rheinmetall finalized in 2009, it was expected that one of the large tenders in Australia, Canada or South Africa would succeed the UK tender
- Although these tenders delayed for years the shareholders agreed to execute the JV with MAN contributing production work for commercial trucks
- With the ramp-up of Land 121 Australia and the orders from Norway/Sweden, the plant will return to profitability





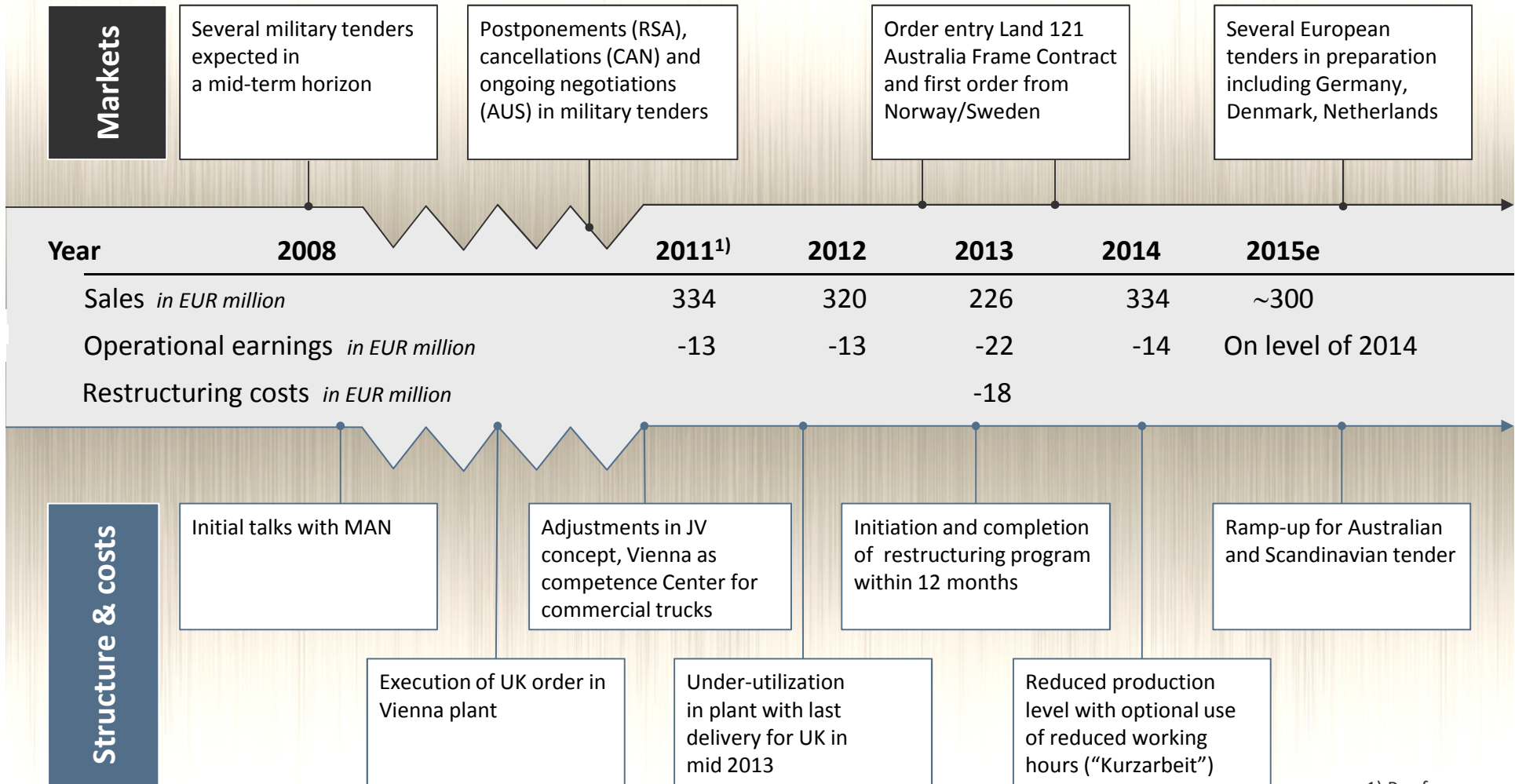
Restructuring Vienna plant 2013



- Headcount reduced from more than 750 in 2012 to under 600 employees by end of 2014
- Standard annual capacity utilization reduced from 675,000 production hours to 475,000 production hours
- Permanent reduction of roughly EUR 6 million fixed cost in the plant p.a.
- Flexible production workforce will increase to ~30% in 2017 and lead to a higher flexibility in the future
- Total restructuring costs of EUR 18 million booked in 2013



Way ahead truck business



1) Pro forma



Two major projects in execution

Truck System Norway and Sweden



Frame contract

- for a period of up to **12 years for vehicles** and up to **30 years for service**
- signed in March 2014 with Norway and in May 2014 with Sweden

First purchase order

- out of frame contract includes **335 vehicles** (HX and TGS-MIL)
- as well as nonrecurring services with a total volume of EUR 200 million

Total potential

- out of frame contract may sum up to **EUR 2 billion**

Land 121 Australia – Phase 3b



Frame contract

- volume roughly **EUR 1.1 billion**, order received in July 2013
- scope of supply contains **2,500 HX vehicles** as well as **3,000 modules**

Potential

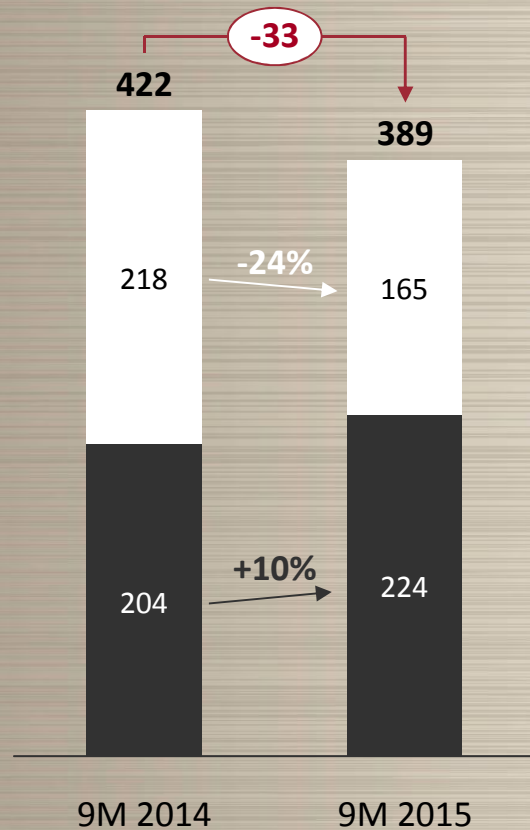
- **supplementary 1,100** unprotected vehicles (Phase 5b)





Portfolio mix impacts profitability

Sales Wheeled Vehicles
in EUR million



EBIT Wheeled Vehicles
in EUR million



Reasons for earnings development

Tactical Vehicles

- Sales 2014 included high margin business such as German-built Fox 2 for Algeria and NBC parts for the US
- In 2015 no comparable project

Logistic Vehicles

- Higher sales mainly driven by more trading goods (TGM trucks) as well as more commercial trucks for MAN
- Sales 2014 included HX trucks for NZ

Consolidation

- 2014 incl. positive one time effect



Targets of the division Wheeled Vehicles

